



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Karl J. Sandstrom, Esq.
Perkins Coie, LLP
607 Fourteenth Street, NW
Washington, DC, 20005

MAR 27 2009

Re: MUR 5922
Richard Morrison Congressional Committee and
Michael A. Gidley, in his official capacity as
treasurer

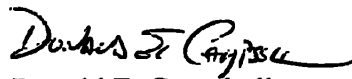
Dear Mr. Sandstrom:

On March 12, 2009, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of your clients, Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer, in settlement of violations of 2 U.S.C. §§ 434(a)(6)(A) and 434(b)(1)-(5), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the first payment of the civil penalty is due within 30 days of the conciliation agreement's effective date, and three additional consecutive monthly installment payments will be due within 30 days of each previous installment. If you have any questions, please contact Susan Lebeaux at (202) 694-1650.

Sincerely,


Donald E. Campbell
Paralegal Specialist

Enclosure
Conciliation Agreement

29044231232

BEFORE THE FEDERAL ELECTION COMMISSION

2004 FEB 3 2 A 11: 10

In the Matter of)
) MUR 5922
Richard Morrison Congressional Committee)
and Michael A. Gidley, in his official)
capacity as treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Based on a Commission audit of the Richard Morrison Congressional Committee covering the time period of September 30, 2003 through December 31, 2004, the Commission found reason to believe that Respondents Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer (the "Committee"), violated 2 U.S.C. §§ 434(a)(6)(A) and 434(b)(1) – (5).

NOW, THEREFORE, the Commission and the Committee, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Committee and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. The Committee has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. The Committee enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Richard R. Morrison IV was a “candidate” within the meaning of 2 U.S.C. § 431(2), in the 2004 race for the U.S. House of Representatives seat in Texas’ 22nd Congressional District.

2. The Committee is a political committee within the meaning of 2 U.S.C. § 431(4) and was Richard R. Morrison IV’s principal campaign committee within the meaning of 2 U.S.C. § 431(5).

3. The Federal Election Campaign Act of 1971, as amended (the “Act”) requires that all contributions made by persons other than political committees must be reported in accordance with 2 U.S.C. § 434(b)(2)(A). Political committees must report the identification of each person who makes a contribution or contributions with an aggregate value in excess of \$200 during the reporting period, together with the date and amount. 2 U.S.C. § 434(b)(3).

4. Reports filed with the Commission must disclose the amount of cash on hand at the beginning and end of the reporting period; the total amount of receipts for the reporting period and for the election cycle; the itemization of certain transactions, and the total amount of disbursements for the reporting period and for the election cycle. 2 U.S.C. §§ 434(b)(1), (2), (3), (4), and (5). In addition, 2 U.S.C. § 434(b)(5)(D) requires that such reports disclose the names of persons who receive loan repayments from political committees, along with the date and amount of the loan repayments.

5. When an authorized campaign committee receives contributions of \$1,000 or more, fewer than 20 days, but more than 48 hours, before any election in which the candidate is running, the committee must file special notices with the Commission within 48 hours of receiving the contribution. 2 U.S.C. § 434(a)(6)(A).

6. During calendar year 2004, the Committee understated receipts by a net total of \$130,339 and understated disbursements by a net total of \$86,258, resulting in an understated cash balance of \$45,341 on December 31, 2004.

7. Following the interim audit report, the Committee complied with the recommendations of the Commission's Audit Division to materially correct the aforementioned misstatements of its financial activities.

8. The Committee failed to file 48-Hour Notices disclosing thirteen contributions totaling \$31,750 prior to the 2004 primary and general elections.

V. 1. Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer, misstated receipts, disbursements, and cash on hand, and failed to itemize certain transactions in its 2004 disclosure reports filed with the Commission, in violation of 2 U.S.C. §§ 434(b)(1), (2), (3), (4) and (5). Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer, will cease and desist from violating 2 U.S.C. §§ 434(b)(1), (2), (3), (4) and (5).

2. Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer, failed to file 48-Hour Notices disclosing thirteen contributions totaling \$31,750 during the primary and general elections, in violation of 2 U.S.C. § 434(a)(6)(A). Richard Morrison Congressional Committee and Michael A. Gidley, in his official capacity as treasurer, will cease and desist from violating 2 U.S.C. § 434(a)(6)(A).

VI. The Commission has determined that the appropriate civil penalty for Respondents' violations is Ten Thousand Dollars (\$10,000), pursuant to 2 U.S.C. § 437g(a)(5)(A). In considering the appropriate civil penalty in this matter, the Commission has found mitigating

1 circumstances, including that Richard R. Morrison IV, a first-time candidate in 2004, has
2 negotiated to pay the civil penalty for Respondents, and that the Committee, which has no funds,
3 cooperated during the audit process and thereafter amended its reports. The civil penalty will be
4 paid as follows:

5 1. A payment of Four Thousand Dollars (\$4,000), which is due no more than thirty (30)
6 days from the date this agreement becomes effective.

7 2. Thereafter, three consecutive monthly installment payments of Two Thousand Dollars
8 (\$2,000), each of which shall be paid within 30 days of the previous installment.

9 3. In the event that any installment payment is not received by the Commission by the fifth
10 day after it becomes due, the Commission may, at its discretion, accelerate the remaining
11 payments and cause the entire amount to become due upon ten days written notice to
12 Respondents. Failure by the Commission to accelerate the payments with regard to any overdue
13 installment shall not be construed as a waiver of its right to do so with regard to further overdue
14 installments.

15 VII. The Commission, on request of anyone filing a complaint under 2 U.S.C.
16 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance
17 with this agreement. If the Commission believes that this agreement or any requirement thereof
18 has been violated, it may institute a civil action for relief in the United States District Court for
19 the District of Columbia.

20 VIII. This agreement shall become effective as of the date that all parties hereto have
21 executed same and the Commission has approved the entire agreement.


IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission, except as otherwise expressly specified in Paragraph VI.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

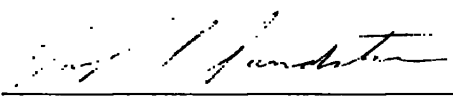
Thomasenia P. Duncan
General Counsel

BY:


Ann Marie Terzaken
Associate General Counsel
for Enforcement

3/25/09
Date

FOR RESPONDENTS:


Karl J. Sandstrom, Esq.
Counsel for Richard R. Morrison IV, Esq.
and Respondents Richard Morrison for Congress
Committee and Michael J. Gidley, in his official
capacity as treasurer. Signed on behalf of and at
direction of Respondents.

February 12, 2009
Date